

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

Plaintiff,

-against-

UP TO \$6,100,000 ON DEPOSIT IN
ACCOUNT NO. 15.5876 AT BANK JULIUS
BAER CO. LTD (GUERNSEY BRANCH);
AND

UP TO \$3,651,339 ON DEPOSIT IN
ACCOUNT NO. 15.5568 AT BANK JULIUS
BAER CO. LTD (GUERNSEY BRANCH),

Defendants in Rem.

VERIFIED ANSWER

07 Civ. 04430 (RJS)

Claimant Ajaz Rahim, by his attorneys Orrick, Herrington & Sutcliffe LLP, hereby answers the Verified Complaint (the "Verified Complaint") of the United States of America ("Plaintiff"), dated May 29, 2007, as follows. Any allegation(s) not specifically admitted herein should be considered a denial of said allegation(s). Pursuant to Rule E(8) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions, I appear before this Court for the limited purpose of defending against the claims initiated by the Government in the above-captioned in rem action. My appearance in the above-captioned action does not constitute an appearance for the purpose of any other claim or consent to the jurisdiction of this court or any other court.

1. Claimant admits that Plaintiff has filed a verified civil complaint seeking forfeiture of the bank accounts referenced in the above-captioned action pursuant to 18 U.S.C. §§

981 (a)(1)(C) and 984 (the “Defendant Funds”). Except as so admitted, paragraph 1 of the Verified Complaint states a legal conclusion to which no response is required.

2. Claimant does not contest the jurisdiction of this Court.

3. Claimant does not contest venue. Except as so admitted, Claimant denies the allegations in paragraph 3 of the Verified Complaint.

4. Claimant admits that the United States of America filed Criminal Complaint 07 Mag 859 against Claimant on May 29, 2007 (the “Criminal Complaint”). Claimant lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 4 of the Verified Complaint.

5. Claimant states that the Criminal Complaint speaks for itself.

6. Claimant states that the Criminal Complaint speaks for itself.

7. Claimant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 7 of the Verified Complaint.

8. Claimant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 8 of the Verified Complaint.

9. In response to paragraph 9 of the Verified Complaint, Claimant repeats and realleges its response to paragraphs 1 through 8 of the Verified Complaint as though fully set forth herein.

10. Paragraph 10 of the Verified Complaint is a legal conclusion to which no response is required.

11. Paragraph 11 of the Verified Complaint is a legal conclusion to which no response is required.

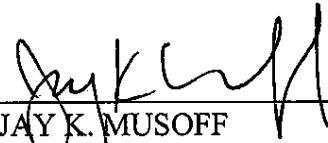
12. Paragraph 12 of the Verified Complaint is a legal conclusion to which no response is required.

13. Claimant denies the allegations in paragraph 13 of the Verified Complaint.

14. Claimant denies the allegations in paragraph 14 of the Verified Complaint.

Dated: New York, New York
August 15, 2008

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: 
JAY K. MUSOFF
666 Fifth Avenue
New York, New York 10103
Tel: 212-506-5000

Attorneys for the Claimant,
Ajaz Rahim

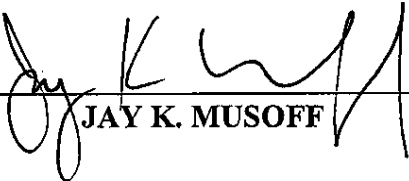
VERIFICATION

STATE OF NEW YORK)
 ss.:
COUNTY OF NEW YORK)

JAY K. MUSOFF, being duly sworn, deposes and says:

1. I am an attorney admitted to practice law in the courts of New York State, and a partner at the firm of Orrick, Herrington & Sutcliffe LLP, attorneys for Ajaz Rahim, the Claimant herein. I make this verification on behalf of said Claimant because said defendant is not located within the county in which Orrick, Herrington & Sutcliffe LLP has its offices.

2. I have read the foregoing **VERIFIED ANSWER** and know the contents thereof, and, based on conversations with the Claimant, I am informed and believe that the responses stated herein are true.



JAY K. MUSOFF

Sworn to before me this
15 day of August, 2008.



Notary Public

SETH M. COHEN
Notary Public, State of New York
No. 02CO6144866
Qualified in New York County
Commission Expires May 1, 20.....